

INTERIM REPORT

January-June 2016

INTERIM REPORT JANUARY-JUNE 2016

- Consolidated net revenues for the second quarter of 2016 amounted to SEK 1,475 M (1,476).
- Operating earnings (EBIT) amounted to SEK 474 M (448). The operating earnings include revaluations of purchased debt portfolios amounting to SEK 17 M (45). The operating margin excluding revaluations was 31 percent (28).
- Net earnings for the quarter amounted to SEK 354 M (324) and earnings per share were SEK 4.85 (4.38).
- Cash flow from operating activities amounted to SEK 695 M (739).
- The carrying amount of purchased debt has increased by 19 percent compared with the second quarter of 2015. Investments in purchased debt during the quarter amounted to SEK 550 M (509).

SEK M unless otherwise indicated	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %
Revenues	1,475	1,476	0	2,883	2,846	1
Revenues excluding revaluations	1,458	1,431	2	2,861	2,808	2
Operating earnings (EBIT)	474	448	6	902	787	15
Operating margin, %	32	30		31	28	
Net earnings	354	324	9	664	568	17
Earnings per share before and after dilution, SEK	4.85	4.38	11	9.11	7.65	19
Cash flow from operating activities	695	739	-6	1,425	1,222	17
Carrying value purchased debt	7,649	6,435	19	7,649	6,435	19
Return on purchased debt %	20	24		20	22	
Investments in purchased debt	550	509	8	1,288	978	32
Cash flow from purchased debt	753	693	9	1,470	1,334	10
Net debt/RTM EBITDA	2.0	2.0		2.0	2.0	

SECOND QUARTER

11%

Growth in earnings per share past 12 months

15%

Change in operating earnings (adjusted for currency effects and revaluations of purchased debt)

19%

Change in carrying value of purchased debt over the past 12 months

20%

Return on purchased debt

SEK 550 M

Investments in purchased debt

SEK 753 M

Cash flow from purchased debt

COMMENT BY PRESIDENT AND CEO MIKAEL ERICSON

Intrum Justitia continued to perform very well during the second quarter 2016. We achieved all of our financial targets for growth in earnings per share, return on purchased debt and capital structure. Earnings per share rose by 11 percent over the quarter, and by 11 percent over the past 12 months, which is slightly above our target of 10-percent annual growth. Over the quarter, we also increased our financial flexibility by issuing bonds of EUR 160 M to Svensk Exportkredit, which strengthens our preparedness for capturing future investment opportunities.

Our operational development is good, with an increase in operating earnings, excluding revaluations and currency effects of 15 percent for the second quarter. Geographically, our development is stable, with all three of our regions reporting improved operating profit and operating margins, adjusted for currency effects and revaluations. Among our service lines, earnings improved well in both Financial Services and Credit Management. Within Financial Services, operating earnings improved due to growth in acquisitions of purchased debt portfolios over the past 12 months. The return on purchased debt decreased compared with the year-earlier period, due to continued price pressure, although it reached a favorable level of 19 percent excluding revaluations. Investments in purchased debt amounted to SEK 2.7 billion for the twelve-month period ending as of the second quarter 2016, against SEK 1.7 billion for the twelve-month period ending as of the second quarter 2015. In Credit Management, we are increasing our operating earnings, primarily through tight cost control and positive effects from acquisitions.

In our efforts to promote a healthy economy, on April 19, Intrum Justitia signed the United Nations' "Global Compact". Intrum Justitia thereby undertakes to work to integrate the ten principles of human rights, labor rights, environmental work and anti-corruption that the Global Compact encompasses, and to submit an annual report describing how our Group follows these principles. In addition, we will continue our efforts to contribute to sustainable business by improving our customers' competitiveness to increase employment and help debt-burdened consumers achieve a better life by, for example, facilitating the settlement of debts at a pace suited to the individual.

Despite certain increased political turmoil in Europe following "Brexit", my view of Intrum Justitia's future potential remains positive, with us achieving value-building growth in line with our objective of increasing our earnings per share by at least 10 percent per year. Market conditions are generally good, particularly in terms of the ample supply of debt portfolios and acquisition opportunities in Credit Management. We have a proven and effective strategy whereby, growth in purchased debt, continuous improvements in operational efficiency and value-creating acquisitions form the cornerstones for years to come.

GROUP

SEK M unless otherwise indicated	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %
Revenues	1,475	1,476	0	2,883	2,846	1
Operating earnings (EBIT)	474	448	6	902	787	15
Operating margin, %	32	30		31	28	
Net financial items	-31	-43	-28	-72	-77	-6
Tax	-89	-81	10	-166	-142	17
Net income	354	324	9	664	568	17
Average number of employees	3,941	3,880	2	3,904	3,843	2

REVENUES AND EARNINGS

APRIL-JUNE 2016

Over the second quarter, the Group's net revenues were unchanged compared with the preceding year, this is attributable to organic growth of 3 percent, acquisition effects of 1 percent, revaluations of purchased debt of a negative 2 percent and currency effects of a negative 2 percent. In the second quarter, currency effects impacted operating earnings negatively by approximately SEK 7 M compared with the preceding year. Revaluations of portfolios impacted operating earnings positively by SEK 17 M for the second quarter, compared with a positive effect of SEK 45 M for the same period last year. Accordingly, operating earnings improved by 6 percent over the quarter and, adjusted for currency effects and revaluations of purchased debt portfolios, the improvement was 15 percent.

The increase in operating earnings excluding currency effects and revaluations compared with the year-earlier period is attributable to improved earnings in both Financial Services and Credit Management, primarily as a consequence of increased investment in purchased debt and good cost control. All of the Group's regions reported improved operating margins and an increase in operating profit, excluding currency effects and revaluations.

Consolidated earnings after tax rose by 9 percent compared with the year-earlier period. Earnings per share for the quarter rose by 11 percent compared with the year-earlier period. Earnings per share were affected by repurchasing in 2015, which reduced the average number of shares outstanding by 1.3 percent compared with the second quarter of 2015.

NET FINANCIAL ITEMS

Net financial items for the quarter amounted to SEK -31 M (-43). Net interest for the quarter amounted to SEK -29 M (-32). The net interest expense has been affected negatively by higher borrowing, but positively by lower market interest rates, as well as the reversal of accrued interest expenses of SEK 4 M in connection with the settlement of a dispute. Exchange rate differences have affected net financial items by SEK 5 M (-4), and other financial items by SEK -7 M (-7). Other financial items refer primarily to bank fees and similar charges in connection with the Group's borrowing.

TAXES

Earnings for the quarter were charged with tax of 20 percent. Further information regarding an assessment of future tax expense is provided in the section "Taxation assessments".

CASH FLOW AND INVESTMENTS

SEK M unless otherwise indicated	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %
Cash flow from operating activities	695	739	-6	1,425	1,222	17
Cash flow from investing activities	-478	-640	-25	-1,620	-1,186	37
Cash paid for investments in purchased debt	425	589	-28	1,466	1,067	37
Cash flow from purchased debt	753	693	9	1,470	1,334	10

In the second quarter, cash flow from operating activities amounted to SEK 695 M (739), where the decrease compared with the year-earlier period, is attributable to higher tax payments. The increase in tax payments is largely attributable to Group companies, with the corresponding tax payments last year having taken place in the first quarter rather than the second.

Cash flow from purchased debt for the second quarter amounted to SEK 753 M (693), defined as funds collected on purchased debt of SEK 1,063 M (984), with deductions for the service line's overheads, primarily collection costs of SEK 310 M (291).

FINANCING

SEK M unless otherwise indicated	April-June 2016	April-June 2015	Change %
Net Debt	6,937	6,234	11
Net Debt/RTM EBITDA	2.0	2.0	
Shareholders' equity	3,248	2,844	14
Liquid assets	557	261	113

Intrum Justitia's net debt increased by SEK 0.7 billion compared with the year-earlier period. The Group's net debt expressed as a multiple of operating earnings before depreciation and amortization totals 2.0, which is within the interval for Intrum Justitia's financial target of 2.0–3.0 for this ratio.

During the quarter, Intrum Justitia and AB Svensk Exportkredit (SEK) signed a long-term financing agreement whereby SEK provides financing of EUR 160 M by issuing bonds through a private placement. The bonds will mature in June 2023, after seven years, and carry variable interest rates.

No share repurchases were carried out in the first quarter, and thereby the number of shares outstanding was 72,347,726 shares, compared with an average of 73,263,643 shares in the year-earlier period.

GOODWILL

Consolidated goodwill amounted to SEK 2,860 M as per June 30 2016, compared with SEK 2,810 M as per December 31, 2015. Of this increase, SEK 14 M is attributable to acquisitions and SEK 36 M to currency exchange differences.

REGIONS

NORTHERN EUROPE

SEK M	April-June 2016	April-June 2015	Change %	Fx adj %	Jan-June 2016	Jan-June 2015	Change %	Fx adj %
Revenues excluding revaluations	693	705	-2	0	1,339	1,356	-1	0
Operating earnings excluding revaluations	231	216	7	8	429	398	8	9
Operating margin excluding revaluations, %	33	31	2 ppt		32	29	3 ppt	

The region's revenues, adjusted for revaluations and currency effects, were unchanged compared with the year-earlier period. Revenues were affected positively by higher investment volumes in Purchased Debt, but negatively by reduced revenues in Credit Management. Operating earnings and the operating margin increased compared with the same period last year due to increased volumes of purchased debt and improved cost efficiency.

CENTRAL EUROPE

SEK M	April-June 2016	April-June 2015	Change %	Fx adj %	Jan-June 2016	Jan-June 2015	Change %	Fx adj %
Revenues excluding revaluations	411	414	-1	2	826	824	0	3
Operating earnings excluding revaluations	144	121	19	22	286	246	16	19
Operating margin excluding revaluations, %	35	29	6 ppt		35	30	5 ppt	

The region's revenue growth of 2 percent, adjusted for revaluations and currency effects, is attributable to increased revenues from Credit Management. Operating earnings and the operating margin improved compared with the same period last year, mainly due to lower costs during the quarter. The region's unit for financing solutions in e-trade in Switzerland continues to be received well in the market.

WESTERN EUROPE

SEK M	April-June 2016	April-June 2015	Change %	Fx adj %	Jan-June 2016	Jan-June 2015	Change %	Fx adj %
Revenues excluding revaluations	354	312	13	14	696	628	11	11
Operating earnings excluding revaluations	82	66	24	25	165	105	57	58
Operating margin excluding revaluations, %	23	21	2 ppt		24	17	7 ppt	

The region has achieved good revenue growth of 14 percent, adjusted for revaluations and currency effects, due to increased investment in purchased debt over the past 12 months. This increase has provided improved operating earnings and a positive margin trend. Units acquired over the latter part of 2015 have also affected earnings positively.

SERVICE LINES

CREDIT MANAGEMENT

SEK M	April-June 2016	April-June 2015	Change %	Fx adj %	Jan-June 2016	Jan-June 2015	Change %	Fx adj %
Revenues	1,052	1,024	3	4	2,076	2,026	2	4
Service line earnings	282	255	11	12	523	492	6	8
Service line margin, %	27	25	2 ppt		25	24	1 ppt	

Revenues from Credit Management, adjusted for currency effects, rose by 4 percent compared with the year-earlier period. Adjusted for a correction of recognized internal sales in the second quarter of 2015, the increase was 1 percent, which was attributable to increased revenues from collection of the Group's own portfolios and acquired units. Operating earnings improved by 12 percent, mainly due to good cost control and earnings from the acquired units.

FINANCIAL SERVICES

SEK M	April-June 2016	April-June 2015	Change %	Fx adj %	Jan-June 2016	Jan-June 2015	Change %	Fx adj %
Revenues	695	672	3	5	1,335	1,246	7	9
Service line earnings	385	381	1	3	749	689	9	10
Service line margin, %	55	57	-2 ppt		56	55	1 ppt	
Investments in purchased debt	550	509	8		1,288	978	32	
Return on purchased debt, %	20	24			20	22		
Carrying amount, purchased debt	7,649	6,435	19		7,649	6,435	19	

Revenues from Financial Services rose by 10 percent, excluding currency effects and revaluations. Operating earnings rose by 11 percent excluding currency effects and revaluations. The increase in revenues and earnings is attributable to increased investment in purchased debt, which amounted to SEK 2.7 billion for the twelve-month period ending as of the second quarter 2016, against SEK 1.7 billion for the twelve-month period ending as of the second quarter 2015. Excluding revaluations, the return on purchased debt reached 19 percent for the quarter, compared with 21 percent for the year-earlier period. The decrease is due to price pressure and a volume increase in the portfolio segments with lower returns.

TAXATION ASSESSMENTS

Intrum Justitia's assessment is that the tax expense will, over the next few years, be around 20-25 percent of earnings before tax for each year, excluding the outcome of any tax disputes.

PARENT COMPANY

The Group's publicly listed Parent Company, Intrum Justitia AB (publ), owns the subsidiaries, provides the Group's head office functions and handles certain Group-wide development work, services and marketing.

The Parent Company reported net revenues of SEK 44 M (43) for the first six months of the year and earnings before tax of SEK –58 M (–62). The Parent Company invested SEK 0 M (0) in fixed assets during the first six months and held, at the end of that period, SEK 314 M (83) in cash and equivalents. The average number of employees was 55 (52).

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting for the Group and in accordance with Chapter 9 of the Annual Accounts Act for the Parent Company. The same accounting principles and calculation methods have been applied as in the most recent Annual Report.

SIGNIFICANT RISKS AND UNCERTAINTIES

Risks to which the Group and Parent Company are exposed include risks relating to economic developments, compliance and changes in regulations, reputation risks, tax risks, risks attributable to IT and information management, risks attributable to acquisitions, market risks, liquidity risks, credit risks, risks inherent in purchased debt and payment guarantees, as well as financing risks. The risks are described in more detail in the Board of Directors' report in Intrum Justitia's 2015 Annual Report. No significant risks are considered to have arisen besides those described in the annual report.

ACQUISITION

On April 1, Intrum Justitia acquired a small credit management company in Belgium, C&J Credit Services BVBA, for a purchase consideration of SEK 13 M.

EVENTS AFTER THE END OF THE PERIOD

On July 18, in order to retain sufficient financial flexibility to take advantage of possible investment opportunities in business operations, the Board of Directors decided not to make any further repurchases during the third quarter of 2016.

PRESENTATION OF THE INTERIM REPORT

The interim report and presentation material are available at [www.intrum.com/Investor relations](http://www.intrum.com/Investor%20relations). President & CEO Mikael Ericson and Chief Financial Officer Erik Forsberg will comment on the report at a teleconference today, starting at 9:00 a.m. CET. The presentation can be followed at www.intrum.com and/or www.financialhearings.com. To participate by phone, call +46 566,426 98 (SE) or +44 20 300 898 01 (UK).

FOR FURTHER INFORMATION, PLEASE CONTACT

Mikael Ericson, President and CEO, tel: +46 8 546 102 02
Erik Forsberg, Chief Financial Officer, Tel.: +46 8 546 102 02

The information in this interim report is such that Intrum Justitia AB (publ) is required to disclose pursuant to the Securities Markets Act. The information was released for publication on July 19, 2016 at 7:00 a.m. CET.

FINANCIAL CALENDAR 2016

The interim report for January-September will be published October 19, 2016
The year-end report and interim report for January -December 2016 will be published January 26, 2017

The interim report and other financial information are available at Intrum Justitia's website: www.intrum.com

Denna delårsrapport finns även på svenska.

Stockholm, July 19, 2016

Lars Lundquist
Chairman of the Board

Tore Bertilsson
Board member

Synnöve Trygg
Board member

Fredrik Trägårdh
Board member

Ulrika Valassi
Board member

Ragnhild Wiborg
Board member

Magnus Yngen
Board member

Karolina Sandahl
Employee representative

Mikael Ericson
President and CEO

The interim report has not been reviewed by the Company's auditors.

ABOUT THE INTRUM JUSTITIA GROUP

Intrum Justitia is Europe's leading Credit Management Services (CMS) group, offering comprehensive credit management services, including Purchased Debt, designed to measurably improve clients' cash flows and long-term profitability. Founded in 1923, Intrum Justitia has some 3,900 employees in 20 markets. Consolidated revenues amounted to approximately SEK 5.6 billion in 2015. Intrum Justitia AB has been listed on the Nasdaq Stockholm exchange since 2002. For further information, please visit www.intrum.com

FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT

SEK M	April- June 2016	April- June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Revenues	1,475	1,476	2,883	2,846	5,628
Cost of sales	-773	-803	-1,543	-1,590	-3,087
Gross earnings	702	673	1,340	1,256	2,541
Sales and marketing expenses	-59	-63	-118	-127	-252
Administrative expenses	-166	-162	-316	-341	-661
Participation in associated companies and joint ventures	-3	0	-4	-1	-4
Operating earnings (EBIT)	474	448	902	787	1,624
Net financial items	-31	-43	-72	-77	-167
Earnings before tax	443	405	830	710	1,457
Tax	-89	-81	-166	-142	-285
Net income for the period	354	324	664	568	1,172
Of which attributable to:					
Parent company's shareholders	351	321	659	562	1,164
Non-controlling interest	3	3	5	6	8
Net earnings for the period	354	324	664	568	1,172
Earnings per share before and after dilution	4.85	4.38	9.11	7.65	15.92

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	April- June 2016	April- June 2015	Jan-June 2015	Jan-June 2015	Full Year 2015
Net income for the period	354	324	664	568	1,172
Other comprehensive income, items that will be reclassified to					
Currency translation difference	39	-25	20	-31	-87
Other comprehensive income, items that will not be reclassified to profit and loss:					
Remeasurement of pension liability	0	0	0	0	-26
Comprehensive income for the period	393	299	684	537	1,059
Of which attributable to:					
Parent company's shareholders	389	298	678	535	1,053
Non-controlling interest	4	1	6	2	6
Comprehensive income for the period	393	299	684	537	1,059

CONSOLIDATED BALANCE SHEET

SEK M	30 Jun 2016	30 Jun 2015	31 Dec 2015
ASSETS			
Intangible fixed assets			
Goodwill	2,860	2,753	2,810
Capitalized expenditure for IT development and other intangibles	235	219	227
Client relationships	64	44	61
Total intangible fixed assets	3,159	3,016	3,098
Tangible fixed assets	110	121	118
Other fixed assets			
Shares in joint ventures	12	2	6
Other shares and participations	0	0	1
Purchased debt	7,649	6,435	7,027
Deferred tax assets	44	35	33
Other long-term receivables	7	18	11
Total other fixed assets	7,712	6,490	7,078
Total fixed assets	10,981	9,627	10,294
Current Assets			
Accounts receivable	285	332	285
Client funds	586	581	569
Tax assets	85	81	42
Other receivables	567	659	510
Prepaid expenses and accrued income	192	193	180
Cash and cash equivalents	557	261	265
Total current assets	2,272	2,107	1,851
TOTAL ASSETS	13,253	11,734	12,145
SHAREHOLDERS' EQUITY AND LIABILITIES			
Attributable to parent company's shareholders	3,167	2,768	3,086
Attributable to non-controlling interest	81	76	80
Total shareholders' equity	3,248	2,844	3,166
Long-term liabilities			
Liabilities to credit institutions	1,890	2,432	2,340
Medium term note	3,645	3,140	3,124
Other long-term liabilities	2	3	3
Provisions for pensions	180	144	174
Other long-term provisions	3	3	3
Deferred tax liabilities	524	407	522
Total long-term liabilities	6,244	6,129	6,166
Current liabilities			
Liabilities to credit institutions	0	0	17
Medium term note	1,059	0	0
Commercial paper	720	784	635
Client funds payable	586	581	569
Accounts payable	120	145	139
Income tax liabilities	174	172	128
Advances from clients	14	14	14
Other current liabilities	407	308	613
Accrued expenses and prepaid income	681	757	698
Total current liabilities	3,761	2,761	2,813
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	13,253	11,734	12,145

FAIR VALUE OF FINANCIAL INSTRUMENTS

Most of the Group's financial assets and liabilities (purchased debt, accounts receivable, other receivables, cash and equivalents, liabilities to credit institutions, bonds, commercial papers, accounts payable and other liabilities) are carried in the accounts at amortized cost. For these financial instruments, the carrying amount is assessed to be a good estimate of fair value. The Group also has financial assets and liabilities in the form of currency forward exchange contracts, which are carried in the accounts at fair value in the income statement. They amount to small sums.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK M	2016			2015		
	Attributable to Parent Company's shareholders	Non-controlling interest	Total	Attributable to Parent Company's shareholders	Non-controlling interest	Total
Opening Balance, January 1	3,086	80	3,166	2,948	93	3,041
Dividend	-597	-5	-602	-514	-7	-521
Acquired non-controlling interest			0	-1	-12	-13
Repurchase of shares			0	-200		-200
Comprehensive income for the year	678	6	684	535	2	537
Closing Balance, June 30	3,167	81	3,248	2,768	76	2,844

CONSOLIDATED CASH FLOW STATEMENT

SEK M	April- June 2016	April- June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Operating activities					
Operating earnings (EBIT)	474	448	902	787	1,624
Depreciation/amortization and impairment write-down	41	40	81	81	164
Amortization/revaluation of purchased debt	389	345	763	712	1,495
Other adjustment for items not included in cash flow	3	1	5	5	15
Interest received	2	3	4	6	11
Interest paid and other financial expenses	-43	-64	-78	-130	-242
Income tax paid	-140	-21	-164	-161	-229
Cash flow from operating activities before changes in working capital	726	752	1,513	1,300	2,838
Changes in factoring receivables	-33	-25	-20	-45	-44
Other changes in working capital	2	12	-68	-33	111
Cash flow from operating activities	695	739	1,425	1,222	2,905
Investing activities					
Purchases of tangible and intangible fixed assets	-35	-37	-71	-68	-135
Investments in purchased debt	-425	-589	-1,466	-1,067	-2,186
Purchases of shares in subsidiaries and associated companies	-18	-13	-87	-49	-181
Other cash flow from investing activities	0	-1	4	-2	5
Cash flow from investing activities	-478	-640	-1,620	-1,186	-2,497
Financing activities					
Borrowings and repayment of loans	745	582	1,086	684	522
Repurchase of shares	0	-100	0	-200	-400
Share dividend to parent company's shareholders	-597	-514	-597	-514	-514
Share dividend to non-controlling interest	-5	-7	-5	-7	-7
Cash flow from financing activities	143	-39	484	-37	-399
Change in liquid assets	360	60	289	-1	9
Opening balance of liquid assets	194	203	265	266	266
Exchange rate differences in liquid assets	3	-2	3	-4	-10
Closing balance of liquid assets	557	261	557	261	265

CONSOLIDATED QUARTERLY OVERVIEW

	Quarter 2 2016	Quarter 1 2016	Quarter 4 2015	Quarter 3 2015	Quarter 2 2015	Quarter 1 2015	Quarter 4 2014	Quarter 3 2014
Revenues, SEK M	1,475	1,408	1,396	1,386	1,476	1,370	1,370	1,309
Revenue growth, %	0	3	2	6	13	14	11	15
Operating earnings (EBIT), SEK M	474	428	385	452	448	339	360	415
Operating earnings (EBIT) excl revaluations, SEK M	457	423	421	423	403	346	353	400
Operating margin excl revaluations, %	31	30	29	31	28	25	26	31
EBITDA, SEK M	904	842	854	846	834	748	771	794
Net income, SEK M	354	310	274	330	324	305	294	311
Net Debt, SEK M	6,937	6,465	6,026	5,815	6,234	5,775	5,635	5,215
Net Debt/EBITDA RTM	2.0	1.9	1.8	1.8	2.0	1.9	1.9	1.8
Earnings per share, SEK	4.85	4.26	3.76	4.51	4.38	3.27	3.85	4.09
EPS growth, %	11	30	-2	10	36	39	28	46
Average number of shares, '000	72,348	72,348	72,561	72,885	73,264	73,678	74,797	75,885
Number of shares outstanding at end of period, '000	72,348	72,348	72,348	72,693	73,037	73,421	73,848	75,428
OPERATING EARNINGS EXCL REVALUATIONS BY REGION, SEK M								
Northern Europe	231	198	227	217	216	182	169	220
Central Europe	144	142	128	125	121	125	119	115
Western Europe	82	83	66	81	66	39	65	65
SERVICE LINE EARNINGS BY SERVICE LINE, SEK M								
Credit Management	282	241	278	279	255	237	246	253
Financial Services	385	364	328	328	381	308	275	308
Common costs	-193	-177	-221	-155	-188	-206	-161	-146
Return on purchased debt, %	20	20	19	20	24	19	18	21
Investments in purchased debt, SEK M	550	738	1,130	320	509	469	477	267
Average number of employees	3,941	3,859	3,841	3,846	3,880	3,814	3,806	3,855

CONSOLIDATED FIVE-YEAR OVERVIEW

	2016	2015	2014	2013	2012
	April-June	April-June	April-June	April-June	April-June
Revenues, SEK M	1,475	1,476	1,301	1,152	1,037
Revenue growth, %	0	13	13	11	6
Operating earnings (EBIT), SEK M	474	448	372	301	218
Operating earnings (EBIT) excl revaluations, SEK M	457	403	349	295	215
Operating margin excl revaluations, %	31	28	27	26	21
EBITDA, SEK M	904	834	750	662	523
Net income, SEK M	354	324	252	206	139
Net Debt, SEK M	6,937	6,234	5,423	4,311	3,258
Net Debt/EBITDA RTM	2.0	2.0	1.9	1.8	1.6
Earnings per share, SEK	4.85	4.38	3.23	2.57	1.77
EPS growth, %	11	36	26	45	27
Average number of shares, '000	72,348	73,264	76,983	79,745	79,745
Number of shares outstanding at end of period, '000	72,348	73,037	76,600	79,745	79,745
OPERATING EARNINGS EXCL REVALUATIONS BY REGION, SEK M					
Northern Europe	231	216	200	189	139
Central Europe	144	121	87	56	40
Western Europe	82	66	62	50	36
SERVICE LINE EARNINGS BY SERVICE LINE, SEK M					
Credit Management	282	255	235	207	197
Financial Services	385	381	312	254	165
Common costs	-193	-188	-175	-160	-144
Return on purchased debt, %	20	24	21	22	20
Investments in purchased debt, SEK M	550	509	537	597	667
Average number of employees	3,941	3,880	3,815	3,524	3,386

CONSOLIDATED FIVE-YEAR OVERVIEW

	2015 Full Year	2014 Helår	2013 Helår	2012 Helår	2011 Helår
Revenues, SEK M	5,628	5,184	4,566	4,048	3,950
Revenue growth, %	9	14	13	2	5
Operating earnings (EBIT), SEK M	1,624	1,430	1,207	879	868
Operating earnings (EBIT) excl revaluations, SEK M	1,593	1,395	1,200	958	849
Operating margin excl revaluations, %	28	27	26	23	22
EBITDA, SEK M	3,282	2,996	2,684	2,199	1,929
Net income, SEK M	1,172	1,041	819	584	553
Net Debt, SEK M	6,026	5,635	4,328	3,261	2,692
Net Debt/EBITDA RTM	1.8	1.9	1.6	1.5	1.4
Earnings per share, SEK	15.92	13.48	10.30	7.32	6.91
EPS growth, %	18	31	41	6	22
Dividend/proposed dividend per share, SEK	8.25	7.00	5.75	5.00	4.50
Average number of shares, '000	73,097	76,462	79,306	79,745	79,745
Number of shares outstanding at end of period, '000	72,348	73,848	78,547	79,745	79,745
OPERATING EARNINGS EXCL REVALUATIONS BY REGION, SEK M					
Northern Europe	842	733	748	622	488
Central Europe	499	416	265	192	193
Western Europe	252	246	187	144	178
SERVICE LINE EARNINGS BY SERVICE LINE, SEK M					
Credit Management	1,049	912	823	827	843
Financial Services	1,345	1,159	969	599	591
Common costs	-770	-641	-585	-547	-566
Return on purchased debt, %	20	20	21	17	21
Investments in purchased debt, SEK M	2,428	1,937	2,524	2,132	1,752
Average number of employees	3,846	3,801	3,530	3,475	3,331

Comparative figure for 2012 above are restated in accordance with IFRS 11 and IAS19R. Earlier years have not been restated.

OPERATING SEGMENTS

REGIONS – REVENUES FROM EXTERNAL CLIENTS

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Northern Europe	705	717	-2	1,350	1,335	1	2,573
Central Europe	428	433	-1	860	861	-0	1,705
Western Europe	342	326	5	673	650	4	1,350
Total revenues from external clients	1,475	1,476	0	2,883	2,846	1	5,628

REGIONS – INTERCOMPANY REVENUES

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Northern Europe	80	74	8	149	142	5	288
Central Europe	80	73	10	166	143	16	295
Western Europe	57	44	30	102	79	29	171
Eliminations	-217	-191	14	-417	-364	15	-754
Total intercompany revenues	0	0		0	0		0

REGIONS – REVALUATIONS OF PURCHASED DEBT

SEK M	April-June 2016	April-June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Northern Europe	12	12	11	-21	-79
Central Europe	17	19	34	37	69
Western Europe	-12	14	-23	22	41
Total revaluation	17	45	22	38	31

REGIONS – REVENUES EXCLUDING REVALUATIONS

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Northern Europe	693	705	-2	1,339	1,356	-1	2,652
Central Europe	411	414	-1	826	824	0	1,636
Western Europe	354	312	13	696	628	11	1,309
Total revenues excluding revaluations	1,458	1,431	2	2,861	2,808	2	5,597

REGIONS – AMORTIZATION RELATED TO ACQUISITIONS

SEK M	April-June 2016	April-June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Northern Europe	0	-4	-2	-6	-7
Central Europe	0	0	0	0	0
Western Europe	-3	-1	-6	-2	-5
Total amortization and impairment	-3	-5	-8	-8	-12

REGIONS – OPERATING EARNINGS (EBIT)

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Northern Europe	243	228	7	440	377	17	763
Central Europe	161	140	15	320	283	13	568
Western Europe	70	80	-13	142	127	12	293
Total operating earnings (EBIT)	474	448	6	902	787	15	1,624
Net financial items	-31	-43	-28	-72	-77	-6	-167
Earnings before tax	443	405	9	830	710	17	1,457

REGIONS – OPERATING EARNINGS (EBIT) EXCLUDING REVALUATIONS

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Northern Europe	231	216	7	429	398	8	842
Central Europe	144	121	19	286	246	16	499
Western Europe	82	66	24	165	105	57	252
Total operating earnings excluding revaluations	457	403	13	880	749	17	1,593

REGIONS – OPERATING MARGIN EXCLUDING REVALUATIONS

%	April-June 2016	April-June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Northern Europe	33	31	32	29	32
Central Europe	35	29	35	30	31
Western Europe	23	21	24	17	19
Operating margin for the Group	31	28	31	27	28

SERVICE LINES – REVENUES

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Credit Management	1,052	1,024	3	2,076	2,026	2	4,194
Financial Services	695	672	3	1,335	1,246	7	2,423
Elimination of inter-service line revenue	-272	-220	24	-528	-426	24	-989
Total revenues	1,475	1,476	0	2,883	2,846	1	5,628

REVENUES BY TYPE

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
External Credit Management	780	804	-3	1,548	1,600	-3	3,205
Collections on purchased debt	1,063	984	8	2,056	1,891	9	3,802
Amortization of purchased debt	-406	-390	4	-785	-750	5	-1,526
Revaluation of purchased debt	17	45	-	22	38	-	31
Other revenues from Financial Services	21	33	-36	42	67	-37	116
Total revenues	1,475	1,476	-0	2,883	2,846	1	5,628

SERVICE LINES – SERVICE LINE EARNINGS

SEK M	April-June 2016	April-June 2015	Change %	Jan-June 2016	Jan-June 2015	Change %	Full Year 2015
Credit Management	282	255	11	523	492	6	1,049
Financial Services	385	381	1	749	689	9	1,345
Common costs	-193	-188	3	-370	-394	-6	-770
Total operating earnings	474	448	6	902	787	15	1,624

SERVICE LINES – SERVICE LINE MARGINS

%	April-June 2016	April-June 2015	Jan-June 2016	Jan-June 2015	Full Year 2015
Credit Management	27	25	25	24	25
Financial Services	55	57	56	55	56
Operating margin for the Group	32	30	31	28	29

PARENT COMPANY

INTRUM JUSTITIA AB (PUBL)

INCOME STATEMENT – PARENT COMPANY

SEK M	Jan-June 2016	Jan-June 2015	Full Year 2015
Revenues	44	43	102
Gross earnings	44	43	102
Sales and marketing expenses	-9	-8	-17
Administrative expenses	-58	-65	-152
Operating earnings (EBIT)	-23	-30	-67
Income from subsidiaries	0	0	1,237
Net financial items	-35	-32	-80
Earnings before tax	-58	-62	1,090
Tax	0	0	0
Net earnings for the period	-58	-62	1,090

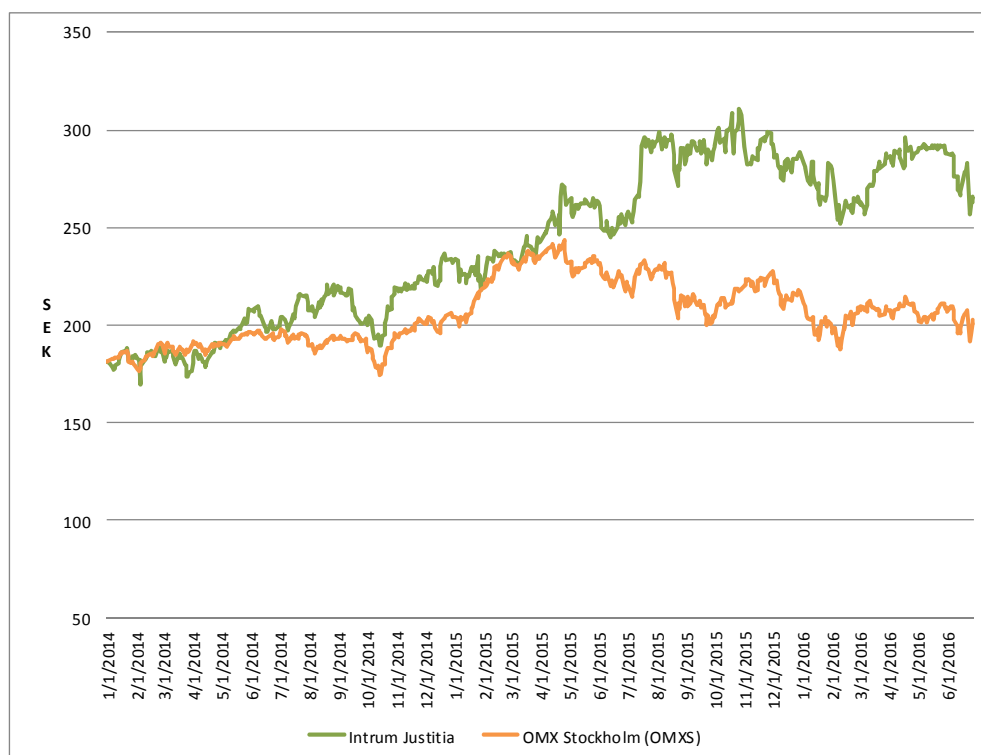
STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

SEK M	Jan-June 2016	Jan-June 2015	Full Year 2015
Net earnings for the period	-58	-62	1,090
Other comprehensive income:	-121	65	107
Change of translation reserve (fair value reserve)			
Total comprehensive income	-179	3	1,197

BALANCE SHEET – PARENT COMPANY

SEK M	30 Jun 2016	30 Jun 2015	31 Dec 2015
ASSETS			
Fixed assets			
Financial fixed assets	7,578	7,500	7,536
Total fixed assets	7,578	7,500	7,536
Current assets			
Current receivables	4,407	3,641	4,743
Cash and bank balances	314	53	37
Total current assets	4,721	3,694	4,780
TOTAL ASSETS	12,299	11,194	12,316
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity	284	284	284
Unrestricted equity	952	734	1,728
Total shareholders' equity	1,236	1,018	2,012
Long-term liabilities	7,415	7,251	7,469
Current liabilities	3,648	2,925	2,835
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	12,299	11,194	12,316
Pledged assets	None	None	None
Contingent liabilities	None	None	None

SHARE PRICE TREND



OWNERSHIP STRUCTURE

30 June 2016	No of shares	Capital and Votes, %
SEB Funds	6,011,526	8.3
Jupiter Asset Management	3,078,000	4.3
Lannebo Funds	2,200,000	3.0
Fidelity	2,014,881	2.8
JP Morgan Asset Management	1,912,644	2.6
Carnegie Funds	1,831,696	2.5
Odin Funds	1,794,218	2.5
SHB Funds	1,753,085	2.4
TIAA - Teachers Advisors	1,647,831	2.3
AMF Insurance & Funds	1,602,490	2.2
BlackRock	1,550,254	2.1
Swedbank Robur Funds	1,475,331	2.0
Standard Life	1,277,468	1.8
Invesco	1,238,607	1.7
Schroders	934,307	1.3
Total, fifteen largest shareholders	30,322,338	41.9

Total number of shares:

72,347,726

Swedish ownership accounted for 39.7 percent (institutions 7.5 percentage mutual funds 27.0 percentage points, retail 5.2 percentage points) Source: Modular Finance Holdings

DEFINITIONS

RESULT CONCEPTS, KEY FIGURES AND ALTERNATIVE INDICATORS

CONSOLIDATED NET REVENUES

Consolidated revenues include external credit management revenues (variable collection commissions, fixed collection fees, debtor fees, guarantee commissions, subscription income, etc.), income from purchased debt operations (collected amounts less amortization and revaluations) and other revenues from financial services (fees and net interest from financing services).

OPERATING EARNINGS (EBIT)

Operating earnings consist of net revenues less operating expenses as shown in the income statement.

OPERATING MARGIN

The operating margin consists of operating earnings expressed as a percentage of net revenues.

PURCHASED DEBT – COLLECTED AMOUNTS, AMORTIZATIONS AND REVALUATIONS

Purchased debt consists of portfolios of overdue consumer receivables purchased at prices below the nominal receivable. These are recognized at amortized cost applying the effective interest method, based on a collection forecast established at the acquisition date of each portfolio. Net revenues attributable to purchased debt consist of collected amounts less amortization for the period and revaluations. The amortization represents the period's reduction in the portfolio's current value, which is attributable to collection taking place as planned. Revaluation is the period's increase or decrease in the current value of the portfolios attributable to the period's changes in forecasts of future collection.

REVENUES, OPERATING EARNINGS AND OPERATING MARGIN, EXCLUDING REVALUATIONS

The period's revaluations of purchased receivables are included in consolidated net revenues and operating earnings. Revaluations are performed in connection with changes in estimates of future collections, and are therefore inherently difficult to predict. They have a low predictive value for the Group's future earnings performance. Consequently, Intrum Justitia also reports alternative key figures in which revenues, operating earnings and operating margin are calculated excluding purchased debt revaluations.

ORGANIC GROWTH

Organic growth refers to the average increase in revenues in local currency, adjusted for revaluations of purchased debt portfolios and the effects of acquisitions and divestments of Group companies. Organic growth is a measure of the development of the Group's existing operations that management has the ability to influence.

SERVICE LINE EARNINGS

Service line earnings relate to the operating earnings of each business line, Credit Management and Financial Services, excluding shared expenses for sales, marketing and administration.

SERVICE LINE MARGIN

The operating margin consists of operating earnings expressed as a percentage of net revenues.

RETURN ON PURCHASED DEBT

Return on purchased debt is the service line earnings for the period, excluding the Group's new services such as factoring and payment guarantees, recalculated on a full-year basis, as a percentage of the average carrying amount of the balance-sheet item purchased debt. The ratio sets the business line's earnings in relation to the amount of capital tied up and is included in the Group's financial targets.

CASH FLOW FROM PURCHASED DEBT

Cash flow from purchased debt consists of funds collected on purchased debt with deductions for the service line's overheads, primarily collection costs. Accordingly, the figure is a measure of cash flow from historically acquired portfolios, without regard to investments in new portfolios.

NET DEBT

Net debt is interest-bearing liabilities and pension provisions less liquid assets and interest-bearing receivables.

OPERATING EARNINGS BEFORE DEPRECIATION AND AMORTIZATION (EBITDA)

Earnings before depreciation and amortization (EBITDA) are operating earnings after depreciation on fixed assets as well as amortization and revaluations of purchased debt are added back.

RTM

The abbreviation RTM refers to figures on a rolling twelve-month basis.

NET DEBT/RTM OPERATING EARNINGS BEFORE DEPRECIATION AND AMORTIZATION (EBITDA)

This key figure refers to net debt divided by consolidated operating earnings before depreciation, amortization and impairment (EBITDA) on a rolling 12-month basis. The key figure is included among the Group's financial targets, is an important measure for assessing the level of the Group's borrowings, and is a widely accepted measure of financial capacity among lenders.

CURRENCY-ADJUSTED CHANGE

With regard to trends in revenues and operating earnings, excluding revaluations for each region, the percentage change is stated in comparison with the corresponding year-earlier period, both in terms of the change in the respective figures in SEK and in the form of a currency-adjusted change, in which the effect of changes in exchange rates has been excluded. The currency-adjusted change is a measure of the development of the Group's operations that management has the ability to influence.

ACQUISITION-RELATED AMORTIZATION/DEPRECIATION

Acquisition-related amortization/depreciation relates to amortization of customer relationships and other surplus values recognized in the consolidated balance sheet as a consequence of acquisitions made by Intrum Justitia.

REGION NORTHERN EUROPE

Region Northern Europe comprises the Group's activities for external clients and debtors in Denmark, Estonia, Finland, the Netherlands, Norway, Poland and Sweden.

REGION CENTRAL EUROPE

Region Central Europe comprises the Group's activities for external clients and debtors in Austria, the Czech Republic, Germany, Hungary, Slovakia and Switzerland.

REGION WESTERN EUROPE

Region Western Europe comprises the Group's activities for external clients and debtors in Belgium, France, Ireland, Italy, Portugal, Spain and the United Kingdom.